

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1720-01
Bill No.: HB 710
Subject: Conservation Department; Agriculture and Animals
Type: Original
Date: February 16, 2015

Bill Summary: This proposal allows nonresidents who own property or pay income taxes in Missouri to receive resident hunting and fishing permits.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Conservation Commission	(Less than \$7,810,000)	(Less than \$7,810,000)	(Less than \$7,810,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Less than \$7,810,000)	(Less than \$7,810,000)	(Less than \$7,810,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive and analyze some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses or further analysis, Oversight may determine that an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

§ 252.280 - Nonresident Hunting and Fishing Permits:

Officials from the **Department of Conservation (MDC)** state in 2014 there were a total of 78,100 nonresident hunting permits issued in Missouri. The average price difference between resident and nonresident hunting permits is approximately \$100. This would equate to a possible negative fiscal impact on the Conservation Commission Fund of up to (\$7,810,000). However, not all nonresidents pay income or property tax, and the Department of Conservation does not have the ability to determine the number of nonresidents that purchased a hunting or fishing permit and also paid property or income taxes in Missouri.

Oversight assumes this proposal would result in a loss of hunting and fishing permit revenue to the Conservation Commission Fund from nonresidents who own property in Missouri or pay income taxes to Missouri and elect to purchase a hunting and fishing permit at the resident permit price. Oversight does not have data to be able to calculate what percentage of nonresident hunting and/or fishing permit holders also paid property tax or income tax to Missouri. Therefore, we will reflect the impact as "less than" MDC's total population estimate.

Officials from the **Office of Administration - Division of Budget and Planning (B&P)** assume this proposal would allow a non-Missouri resident who owns property or pays property tax in Missouri to receive resident hunting, fishing, or trapping privileges.

B&P assumes this will decrease total state revenues and impact the state's Article X, Section 18(e) calculation. B&P defers to the Department of Conservation for an estimate of decreased revenues.

Officials from the **Department of Revenue** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
CONSERVATION COMMISSION FUND			
<u>Loss - MDC</u>			
§ 252.280 - Nonresident hunting and fishing permit fees	<u>(Less than \$7,810,000)</u>	<u>(Less than \$7,810,000)</u>	<u>(Less than \$7,810,000)</u>
ESTIMATED NET EFFECT ON THE CONSERVATION COMMISSION FUND	<u>(Less than \$7,810,000)</u>	<u>(Less than \$7,810,000)</u>	<u>(Less than \$7,810,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§ 252.280 - Nonresident Hunting and Fishing Permits:

Small businesses that sell hunting and fishing licenses may have to help administer this provision by requesting the purchaser provide Missouri property tax receipts or income tax correspondence.

FISCAL DESCRIPTION

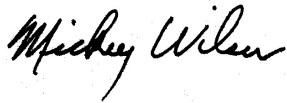
§ 252.280 - Nonresident Hunting and Fishing Permits:

This proposal allows any United States citizen who is not a Missouri resident, but owns property or pays income taxes in Missouri, to receive resident hunting, fishing, or trapping permit privileges.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Conservation
Department of Revenue
Office of Administration - Division of Budget and Planning

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 16, 2015

Ross Strobe
Assistant Director
February 16, 2015